

A REPORT
TO THE
NATIONAL SECURITY COUNCIL

by

THE CHAIRMAN
NATIONAL SECURITY RESOURCES BOARD

on

RECOMMENDED POLICIES AND ACTIONS IN LIGHT OF
THE GRAVE WORLD SITUATION

January 11, 1951

WASHINGTON

~~TOP SECRET~~

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NOTE BY THE EXECUTIVE SECRETARY

to the

NATIONAL SECURITY COUNCIL

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RECOMMENDED POLICIES AND ACTIONS IN LIGHT OF
THE GRAVE WORLD SITUATION

Reference: NSC 68/4

The enclosed report by the Chairman, National Security Resources Board, is submitted herewith, at his request, for consideration by the National Security Council.

JAMES S. LAY, Jr.
Executive Secretary

cc: The Secretary of the Treasury
The Director of Defense Mobilization

REPORT BY THE CHAIRMAN, NATIONAL SECURITY RESOURCES BOARD

on

RECOMMENDED POLICIES AND ACTIONS IN LIGHT OF THE
GRAVE WORLD SITUATION

The essence of the attached paper is:

The United States is now in a war of survival;

The United States is losing that war;

Therefore, the direction of all United States planning and the tempo of United States action should be revised toward the survival of the United States and its allies, and toward a concurrent program of political action so that at the end of this war the people of the free world will be organized to prevent a future war.

To this end this paper considers the facts of the current situation, attempts to translate those facts into an estimate of what they will lead to in the next two years; and, in the interest of national survival, suggests:

- (1) The establishment of certain national objectives.
- (2) The revision of national policy to meet those objectives.
- (3) A maximum effort to build a new form of military structure which would be the basis of political accomplishment of those objectives.

I. ANALYSIS OF SITUATION

The United States and its allies of the free world are fighting a war for survival against the aggression of Soviet Russia.

The United States and its allies are losing the war, on both the political and military fronts.

The purposes of the Soviet are now crystal clear to the world; but the purposes of this country and its allies are not clear.

How the free nations have allowed themselves to be brought within sight of defeat by the Soviet is a complex and debatable history. If there is a single reason why we are now losing, however, it is because the free nations of the world have allowed Soviet Russia to put them on the defensive, everywhere.

On the military fronts in Korea and Southeast Asia the free nations are on the defensive because they are fighting the war in the Far East on a basis which most favors the Soviets and least favors the free nations: We are attempting to match men for men and tanks for tanks, instead of fighting most effectively with those elements of military supremacy we now have in the Far East -- air power and naval power.

On the political front the free nations are on the defensive everywhere. This is primarily because during an era in which the naked power of aggression heeds only naked power, the free nations do not in political discussion bring up their prime power advantage, the atomic bomb and the capacity to deliver it. That advantage now gives possible superiority of power to the free world, but it is a power which every week from here on will steadily decline.

The free nations cannot hope to survive this war against Soviet aggression if it is continued on the basis of defensive containment.

The hour is late. The odds may be stacked against the free nations; but it is still possible to take the offensive in this fight for survival.

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Such an offensive can be launched promptly on both the military and political fronts, provided there is a greater mobilization of effort, especially on the production front.

On the military front the free nations can turn our defensive situation in the Far East into an offensive advantage by:

I. Charging Communist China with aggression.

II. While re-affirming the basic principles for which the United Nations are fighting in Korea, undertake an announced program of military and political retaliation against Communist China, to consist of the following:

1. Evacuation of United Nations troops from Korea, thus releasing air and naval forces.

2. These forces to support a blockade of Communist China by the use of naval and air forces, plus economic sanction.

3. An open and sustained attack upon lines of communication in China and Korea; and also upon aggression-support-industries in Manchuria as considered militarily advisable.

4. Extension of fullest possible support to all anti-Communist elements in the Far East, including Southeast Asia, so they can renew open war and increase guerrilla activities against the Chinese Communists in central and south China.

5. Re-affirm the intent to defend Formosa with air and naval forces to the extent of our military capabilities.

These actions should accomplish the following:

(1) Regain United States and United Nations prestige in the Far East and throughout the world.

(2) Afford a more economical means, in lives and wealth, than is currently being used to maintain those principles for which we are fighting in Korea.

(3) Lead to eventual disruption of the Chinese Communist Government.

(4) Place a logistical drain and political strain on Soviet Russia.

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(5) Make full use of all United Nations volunteers and anti-Communist forces in the Far East.

(6) Reduce the growing threat of Chinese Communist aggression in South and Southeast Asia.

(7) Further establish the strength of the United States in Japan, where there is now the possibility of attack from Soviet-Japanese forces.

(8) Establish a United States position of strength in the Far East, thus obtaining an active strategic base against Russia in the event of general war with the Soviets.

Should the United Nations refuse to go along with the United States on a program of recognition and retaliation against Chinese Communist aggression, the United States should proceed unilaterally, or with as many allies as it can recruit, on the basis of Article 51 of the United Nations Charter, which article states that membership in the United Nations does not prevent any member from defending itself unilaterally in case it is attacked.

On the political front, the United States could make its greatest contribution to the defense of Western Europe and other areas of interest to the free nations by announcing, preferably through NATO, that any further Soviet aggression, in areas to be spelled out, would result in the atomic bombardment of Soviet Russia itself.

This action would accomplish the following:

- (a) Serve notice to the communist and the free world that the United States recognizes and assumes its role as leader in the fight against aggression.
- (b) Act as a deterrent to Soviet aggression.
- (c) Establish moral justification for use of United States' atom bombs in retaliation against Soviet aggression.
- (d) And thus afford the United States a measure of moral freedom it does not now have to use the atom bomb under circumstances other than retaliation out of what devastation might be left of this country after an initial Soviet atomic attack.

Should the United States propose to undertake this suggested military offensive in the Far East, it is unlikely to obtain the full cooperation of all its allies. As example, the British might not go along with any serious military program against Communist China.

But the United States should no longer consider basing those policies necessary for its survival on the fears of any of its allies. This is especially true in that the greatest, if not the only, chance of survival for those allies is that military policy which gives the United States the greatest chance of victory against the Soviet.

The time during which the United States can take any sort of offensive position is running out far more rapidly than realized by some of those who place so much faith in (1) the United States atomic stockpile and (2) the industrial potential of this country. Neither of these weapons will be of full value unless politically used wisely and in time, if they are to be used at all.

Every American citizen should realize that the atomic supremacy currently held by the United States is diminishing month by month.

That number of successfully delivered atomic bombs is enough to blast the heart out of United States industry; and who doubts any longer that the Soviets will attack when ready?

The Soviets now have in being, and in position, a number of divisions far in excess of anything the United States, plus its allies, could organize, train, equip, and transport to position in time to be effective by 1953.

As things are now going, by 1953 if not 1952, the Soviet aggressors will assume complete command of the world situation, because by then no nation, regardless of the size of its atomic stockpile, could defend, or fully retaliate, against a sudden surprise atomic attack delivered in great strength.

Of what value are a thousand atomic bombs in caves, if one hundred are used in a sudden all-out attack against this country, part of that attack having destroyed our capacity to retaliate with the bombs we would have?

Every American citizen should therefore also realize that neither this country nor any other country can buy time against the Soviet in the race for atomic power. In fact the reverse is true, because from here out the Soviet will gain monthly in its relative atomic strength against the rest of the world.

These facts are not arguments in favor of any development of the present war into a general war in order to prevent ultimate defeat. They should, however, refute any effort of the United States or its allies to put off a political showdown with the Soviets on the basis that time can be "bought".

In addition, (1) these facts show the obvious and growing danger in relying too far into the future on retaliatory capacity; and (2) they point up the advisability of doing now in Asia what is right, instead of waiting until our ground divisions are, say, 20% of the strength of Russia instead of 10%, during which time our atomic advantage would be reduced, if not neutralized.

During that same time, the Soviet seizure of Korea, Indo-China, and most of Southeast Asia is probable, particularly if there continues to be no affirmative United States policy for the Far East.

Furthermore, if the current United Nations indecision to face up to the Chinese Communist aggression in Korea continues, the existence of the United Nations is threatened. Only firm leadership by the United States can prevent the collapse of the principle of collective security envisaged by the United Nations Charter. Without that leadership, the United Nations will die.

With the disorganization of the free world now a possibility, and with Western Europe facing the possibility of Soviet invasion by this summer, today is the most effective time the United Nations and the United States will ever have to notify the Soviet of those conditions for the maintenance of peace which the State Department has often stated it plans to voice when this country has achieved the shield of its greatest strength as against the strength of Soviet Russia.

Now is the more favorable time because, thanks to its temporary atomic advantage, this country today has a position of strength relative to the Soviet that it cannot attain again for some years to come.

Meanwhile it is possible that through one or more foreseeable circumstances, the current limited war between the United States and the Soviets may expand at any time into general warfare.

This Korean conflict can grow into general war with the Soviets whenever present Soviet air or submarine participation expands in sufficient magnitude to force the issue; and general war could also grow out of several additional Far Eastern situations, such as the attempted invasion of Formosa or Japan.

In addition, general war might result from any of the sparks which will fly as the communists move further into Southeast Asia.

In Europe, the explosiveness of the situation needs no spelling out.

Meanwhile, should general war come in 1951 or 1952, NATO cannot be counted on as a serious factor in United States defense plans.

Therefore, there should be certain fundamental revisions in the structure of NATO, particularly as to the contribution of the United States; i.e., there should be relatively less future contribution of ground divisions by this country, and relatively more of such items as strategic air, air defense, and tactical air.

Above all, there should be political utilization, on behalf of NATO and the rest of the free world, of the current United States position resulting from possession of the atom bomb, and ability to deliver it.

Atomic bombing by itself cannot win a war against Soviet Russia, but today it is the most powerful military weapon. In this world of power politics, therefore, it should be further utilized in political negotiation.

Even though our atomic bombing capability is our prime military advantage, should a war with Russia occur within the next 18 months, United States long-range strategic air power will be of limited strength because of obsolescence, lack of equipment and lack of advance warning.

At the same time, the air defense of the United States which, along with an anti-sabotage program, must be the prime insurance that our retaliating Strategic Air Force gets off the ground, is almost negligible and will remain so through 1951 and most of 1952.

Even with considerable advance warning of attack, our air defense system will not achieve more than 30% efficiency by the end of 1952.

As to resources and bases, should a general war with the Soviets break out during 1951 or 1952, the United States could count for critical resources, and as military bases, only on the Western Hemisphere, Africa (if plans are made now to hold it) and the islands

now held in the Pacific. In addition, for the first -- and possibly decisive -- period of such a war, there would possibly be England and her air bases, if plans to hold the British Isles are accelerated; and Spain, if that country is included in United States defense plans; and also perhaps Norway and Turkey.

In the light of the foregoing circumstances, which depict a grave peril for the United States, along with a diminishing United States' ability to forestall that peril, the current rate and form of defense mobilization is insufficient to meet the crisis.

In fact, the Presidential directive now being used as the basis for the present mobilization plan recognizes that the present build-up may be insufficient. This is implicit in the language used in said directive, NSC 68/4, as approved by the President in December 1950.

The language in question states that the forces proposed are but "an interim program to be achieved as rapidly as practicable, and with a target date no later than June 30, 1952."

NSC 68/4 further states, "We must also proceed at once to establish a production and mobilization base that will permit a very rapid expansion to full mobilization."

This language in this document implies that additional force requirements beyond the "interim forces" approved are being developed by the Joint Chiefs of Staff. It also directs that any imminent mobilization be tailored to establish the broadest base possible for any eventual full mobilization.

As examples of degree of mobilization effort, the following comparisons are pertinent:

(a) In FY 1942, the first year of World War II, the United States devoted 18.8% of gross national production to defense. In FY 1951, the United States plans to devote 6.9% of gross national production to the defense build-up.

(b) The maximum fighting strength required by the United States in World War II, with Russia as an ally contributing her formidable forces to our side of the fighting, amounted to 242 Air Force groups, 89 divisions, 100 carriers (of which 20 were the standard World War II large--Essex--type), and an over-all peak total of 12.364 million men in uniform.

The maximum force contemplated by the JCS in NSC 68/4, with the Soviet forces now against us instead of with us, amounts to 95 Air Force groups, 24 Army divisions plus 2 Marine divisions, 27 carriers, and an over-all peak of 3.211 million men in uniform.

(c) Since the end of World War II, the Soviets have made a heavy and sustained effort to continue the build-up of their military machine, whereas the United States has concentrated on economy; and the following comparative tables show the results of that concentration:

	<u>1946 through 1949*</u>		<u>1950</u>		<u>Total to Date</u>	
	<u>Sov.</u>	<u>U.S.</u>	<u>Sov.</u>	<u>U.S.</u>	<u>Sov.</u>	<u>U.S.</u>
B-36	0	82	0	32	0	114
B-29 type	459	418	450	127	909	545
Jet Bomber	4	92	350	61	354	153
Jet Fighter	3644	2683	3200	932*	6844	3615
Piston Fighter	7932	2215	200	0*	8132	2215

* The U. S. totals for 1946 through 1949 include both USAF and USN production. The U. S. figures given for Jet Fighters and Piston Fighters for 1950 are USAF production only. For the first three-quarters of 1950, USAF plus USN production of Jet Fighters was 1127. The USN production of Reciprocating Fighters for the first three-quarters of 1950 totals 70.

In tanks the USSR is estimated to have produced 12,600 of all types in 1946, and 4,200 of all types for each of the years 1947, 1948 and 1949--giving the Soviets a total estimated tank production from 1946 through 1949 of 25,200.

The United States production of tanks for the years 1946 through 1949 totaled 50.

Although estimates of Soviet tank production for 1950 must be treated with reserve, it is estimated in that year the USSR produced 6,000 tanks.

The United States produced 750 tanks in 1950.

In ground divisions the USSR is estimated to now have 175 line divisions. They have maintained approximately this number of line divisions since 1946.

A proper picture of Russian potential in ground divisions is portrayed by the potential speed of Soviet mobilization. This potential is considered to be as of now, or at any time between now and 1954:

	<u>Total Line Divisions</u>
M-Day	175
M / 30	320
M / 180	440
M / 365	470

Between M / 5 and M / 30 the existing 175 divisions would be brought up to full strength.

From the standpoint of manpower, about 7 million Russian men are either in the military or have had military service and are considered to be available on mobilization. By 1954 it is estimated that some 15 million more will be suitable and available for the formation of divisions. These figures do not include European Russian satellite ground troops, or Chinese Communist ground forces.

By contrast with the 175 Soviet divisions now in being, and the potential of 470 divisions available in 1952, the United States has 10 divisions now in being, with a planned build-up to the equivalent of 24 Army divisions and 2 Marine divisions by 1952.

The maximum mobilization capability of the United States based on World War II experience is estimated to be 90 divisions.

(NOTE: Soviet divisions number 9,000 to 10,000 men each, while United States divisions number 18,000 men each.)

As to submarines, the Soviets are estimated to be capable of producing more than 200 submarines per year. The current output is estimated to be 12 to 25 units per year. Estimated total number of Russian submarines on hand follows:

	<u>1950</u>	<u>1951</u>	<u>1952</u>
Long Range Subs	88	117	125
Medium Range Subs	75	63	128
Coastal Subs	121	126	137

An effective method of estimating what these numbers mean by way of capability is to compare them with what the Germans had at the beginning of World War II. At the beginning of World War II Germany had 57 submarines in her fleet of which 46 were ready for immediate employment. But of the 46, only 22 were suitable for use in the Atlantic--the remainder could be used only in the North Sea.

In summation, these comparisons indicate a far greater emphasis by the Soviets than by the United States through the post-war years on the production of military forces in being.

This is further emphasized by a comparison of USSR and United States expenditures for 1950 during which the USSR spent a far greater proportion of its gross national income on military items than did

the United States. It should be further noted that the Soviet defense expenditures have been sustained at these high levels throughout the post-World War II years, while the United States defense expenditures during the same years have been at a level considerably lower.

Not only does the current planned mobilization of the United States seem insufficient, but the make-up between forces does not appear to fully conform to the nature of the threat now facing us.

Therefore, the nature -- as well as the degree -- of our current defense build-up is inconsistent with the problem of survival that we face, because it is related to a basic strategic plan which has now become out-dated by recent reverses, and by a new assumption as to the critical date, i.e., 1952 instead of 1954.

The three services are now developing an additional increment of force requirements to those recently approved in NSC 68/4; and these latter forces are being developed along the same out-dated, and therefore unsound, patterns of the NSC 68/4 requirements.

the survival of Western Europe, the Far East and the United States is in jeopardy, because the pattern of defense

structure being planned and built today is not balanced to meet the military needs of this nation and its allies in the hour of our gravest crisis.

That lack of balance in relation to both our commitments and our predicament in the international situation is not the only compelling argument for a re-examination and revision of the pattern of defense build-up. There is another.

Even in this early and relatively small NSC 68/4 phase of mobilization, there are already looming formidable, in some instances insurmountable, short-range (1951-1953) shortages in certain materials and certain fields of skilled manpower.

These shortages do not mean an all-out build-up is either undesirable or unworkable, but they constitute another reason why the mobilization effort must emphasize the production of some types of weapons ahead of others, when both are major claimants for short materials and scarce manpower.

If we do not create and maintain those forces in being necessary to assure our national survival through the opening, and decisive, months of a general war, then neither our allies nor ourselves will ever have the opportunity to use the forces which eventually would play the dominant role in the later, conclusive phase of such a war.

If the United States is to adopt that position necessary to turn the tide of current fighting in favor of ourselves and our allies, we should make an all-out effort, now, to create, at the earliest possible moment, those forces which are essential both for successful negotiations with the Soviets, and for national survival if negotiations are not successful.

II. RECOMMENDATIONS

The essence of this paper is that the survival of the United States and the United Nations is imminently threatened by Communist aggression.

The estimated Soviet atomic bombing capability is growing at a rate which, some time in 1952, will find the Communists strong enough to destroy much of our capability of immediate retaliation, and seriously cripple the United States itself. And who doubts any longer that the Soviets will attack when ready?

The United States has two prime weapons in defense against this threat:

- (1) A political use now of its diminishing atomic bombing advantage;
- (2) A fuller and more effective use of its industrial potential.

Now is the time for an affirmative United States position against further Communist aggression; a position to which the rest of the free nations can rally. The National Security Resources Board therefore submits the following recommendations:

I. Charge Communist China with aggression. At the same time, while re-affirming the basic principles for which the United Nations are fighting in Korea, undertake an announced program of military and political retaliation against Communist China, to consist of the following:

1. Evacuation of United Nations troops from Korea, thus releasing air and naval forces.
2. These forces to support a blockade of Communist China by use of naval and air forces, plus economic sanction.
3. An open and sustained attack upon lines of communication in China and Korea; and also upon aggression-supporting industries in Manchuria as considered militarily advisable.
4. Extension of fullest possible support to all anti-Communist elements in the Far East, including Southeast Asia, so they can re-new open war and increase guerrilla activities against the Chinese Communists in central and south China.
5. Re-affirm the intent to defend Formosa with air and naval forces to the extent of our military capabilities.

These actions should accomplish the following:

- (1) Regain United States and United Nations prestige in the Far East and throughout the world.

(2) Afford a more economical means, in lives and wealth, than is currently being used to maintain those principles for which we are fighting in Korea.

(3) Lead to eventual disruption of the Chinese Communist government.

(4) Place a logistical drain and political strain on Soviet Russia.

(5) Make full use of all United Nations volunteers and anti-Communist forces in the Far East.

(6) Reduce the growing threat of Chinese Communist aggression in South and Southeast Asia.

(7) Further establish the strength of the United States in Japan, where there is now the possibility of attack from Soviet-Japanese forces.

(8) Establish a United States position of strength in the Far East, thus obtaining an active strategic base against Russia in the event of general war with the Soviets.

Should the United Nations refuse to go along with the United States on a program of recognition and retaliation against Chinese Communist aggression, the United States should proceed unilaterally, or with as many allies as it can recruit, on the basis of Article 51 of the United Nations Charter, which Article states that membership in the United Nations does not prevent any member from defending itself unilaterally in case it is attacked.

II. The mobilization effort of the United States should be accelerated, particularly in the production of first things first, i. e., strategic air, air defense, and tactical air weapons, anti-submarine defense, anti-sabotage defense, and research and development. These are the weapons most urgently needed in the specific crisis which faces the United States over the next two to three years. This policy is especially important in that it is becoming increasingly evident that the United States cannot afford unrestricted development of all forces.

III. There should be a political policy, and the mechanics for expressing such a policy, to the effect that the whole of NATO, as well as the Far Eastern commitments of the United States, are to be supported by reliance upon the strategic air power of the United States; and the world should be advised, preferably through NATO, that this power would be used against Soviet Russia in the event of overt or satellite aggression against stated points throughout the world. This would mean the use of the atom bomb, if the Soviets moved aggressively in defiance of NATO terms.

There should be certain fundamental revisions in the structure of NATO, particularly as to the contribution of the United States; i. e., there should be relatively less future contribution of ground divisions by this country and relatively more of such items as strategic air, air defense, tactical air, and naval forces.

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The deployment of United States elements to NATO should be made in such a fashion that they are least available to the Soviets in the event of war with the Soviets before NATO becomes feasible.

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IV. Concurrent with the proposed NATO and Far Eastern policy developments, there should be an accelerated program for insuring the alliance and security of North America, South America, Africa, and the Pacific areas of the United States' interests.

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31 March 1981

Dear Dan:

Here is NSC-100, or at least what was available as of September, 1977.

I truly enjoyed our--lengthy--chat, and am grateful for the kind things you said about the book. Be advised that you may soon be asked to repeat them for the publisher.

I'll look forward to talking with you again on this grisly but fascinating topic. Your views on the possible utility of these weapons in diplomacy are causing an "agonizing reappraisal" of my views on the subject. More on that later. My home telephone number, should something come up, is (203) 436-0777.

Best,

Greg Hanke